

CHAPMAN AND CUTLER

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1879-1959

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RECORDATION NO. 21118-6 FILED

March 16, 1998

MAR 16 '98

3-35 PM

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, D.C. 20423-0001

Re: NorRail, Inc. Leveraged Lease Financing
of Railroad Rolling Stock
(Second Closing)

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two original copies of the document described below. As an attorney representing one of the parties in this transaction, I have knowledge of the matters described in this letter.

The enclosed document is as follows:

Memorandum of Lease Assignment, dated March 16, 1998, between Harris Trust and Savings Bank, as Lessor (the "Lessor" or the "Assignor") and Wilmington Trust Company, as Security Trustee (the "Security Trustee" or the "Assignee").

The names and addresses of the parties to the enclosed document are as follows:

Lessor
and Assignor: Harris Trust and Savings Bank, not in its individual capacity,
but solely as Owner Trustee under the Trust Agreement dated
as of December 15, 1997
311 West Monroe Street
Chicago, Illinois 60603

Security Trustee:
and Assignee: Wilmington Trust Company, not in its individual capacity,
but sole as Security Trustee under the Security Agreement-
Trust Deed dated as of December 15, 1997
1100 North Market Street
Wilmington, Delaware 19890-0001

Country Parts -

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RECEIVED
SURFACE TRANSPORTATION
BOARD

CHAPMAN AND CUTLER

The description of the Equipment covered as of the date hereof by the aforesaid Memorandum of Lease Assignment is as set forth on Exhibit A hereto.

A fee of twenty-four dollars (\$24.00) is enclosed. Please time and date stamp the enclosed copy of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

Sean T. Maloney
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

A short summary of the document to appear in the index follows:

MEMORANDUM OF LEASE ASSIGNMENT:

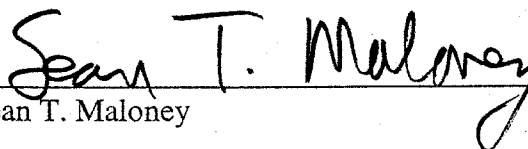
Memorandum of Lease Assignment between Harris Trust and Savings Bank, as Lessor, 311 West Monroe Street, Chicago, Illinois 60603 and Wilmington Trust Company, as Security Trustee, 1100 North Market Street, Wilmington, Delaware 19890-0001, dated March 16, 1998, covering certain railroad rolling stock having the road numbers listed in the exhibit thereto. This document relates to the Memorandum of Lease, dated as of December 30, 1997 and the Memorandum of Security Agreement, dated as of December 30, 1997 which were recorded with the Surface Transportation Board on December 30, 1997 under recordation numbers 21118 and 21118-A, respectively, and the Memorandum of Lease Supplement No. 2, dated March 16, 1998 and the Memorandum of Security Agreement Supplement No. 2, dated March 16, 1998, which were recorded with the Surface Transportation Board on March 16, 1998 under recordation numbers 21118-E and 21118-F, respectively, pursuant to Section 11301 of Title 49 of the United States Code.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3844).

Sincerely,

CHAPMAN AND CUTLER

By


Sean T. Maloney

STM/jem

EXHIBIT A

EQUIPMENT	QUANTITY	ROAD NUMBERS
110 ton 52'6" (286,000 lb.) GRL mill gondola railroad cars manufactured in 1998 by Trinity Industries.	225	CH TT 286300 through CH TT 286524, inclusive
110 ton 52'6" (286,000 lb.) GRL mill gondola rail cars manufactured in 1997 by Trenton Works Ltd.	2	CR 585538 and CR 585699

MAR 16 '98

3-35 PM

MEMORANDUM OF LEASE ASSIGNMENT

MEMORANDUM OF LEASE ASSIGNMENT, made and entered into on March 16, 1998, by and between HARRIS TRUST AND SAVINGS BANK, an Illinois banking corporation, not in its individual capacity but solely as Owner Trustee under the Trust Agreement dated as of December 15, 1997, as Lessor (the "*Lessor*") and WILMINGTON TRUST COMPANY, a Delaware corporation, as Security Trustee (the "*Security Trustee*").

WITNESSETH:

1. The Lessor and NorRail, Inc. ("*Lessee*") have entered into that certain Railcar Lease (the "*Lease*"), dated as of December 15, 1997 and Lease Supplement No. 1 dated December 30, 1997 (the "*Lease Supplement No. 1*"), covering certain railroad rolling stock as described therein, and Lease Supplement No. 2 (the "*Lease Supplement No. 2*"), dated March 16, 1998, covering certain railroad rolling stock bearing road numbers as listed on Exhibit A attached hereto.

2. Memoranda of said Lease and Lease Supplement No. 1 were recorded with the Surface Transportation Board on December 30, 1997 at 2:00 p.m. under recordation numbers 21118 and 21118-B, respectively, and Memorandum of said Lease Supplement No. 2 was recorded with the Surface Transportation Board on March 16, 1998 at 3:35 pm under recordation number 21118-E pursuant to Section 11301 of Title 49 of the United States Code.

3. The undersigned have entered into that certain Security Agreement-Trust Deed (the "*Security Agreement*"), dated as of December 15, 1997, Security Agreement Supplement No. 1 (the "*Security Agreement Supplement No. 1*") dated December 30, 1997 and Security Agreement Supplement No. 2 (the "*Security Agreement Supplement No. 2*") thereto, dated March 16, 1998, pursuant to which Harris Trust and Savings Bank, as Debtor, has assigned the aforesaid Lease, the aforesaid Lease Supplement No. 1, the aforesaid Lease Supplement No. 2, and the rents and other proceeds therefrom (with certain exceptions) to the Security Trustee.

4. Memoranda of said Security Agreement and Security Agreement Supplement No. 1 were recorded with the Surface Transportation Board on December 30, 1997 at 2:00 p.m. under recordation number 21118-A and recordation number 21118-C, respectively, and Memorandum of said Security Agreement No. 2 was recorded with the Surface Transportation Board on March 16, 1998 at 3:35 under recordation number 21118-F pursuant to Section 11301 of Title 49 of the United States Code.


IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized on the date and year first above written.

HARRIS TRUST AND SAVINGS BANK, not in its individual capacity but solely as Owner Trustee under the Trust Agreement dated as of December 15, 1997

By 
Name: **J. BARTOLINI**
Title: **VICE PRESIDENT**

Executed on this ____ day of March, 1998.

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Security Trustee under the Security Agreement - Trust Deed dated as of December 15, 1997

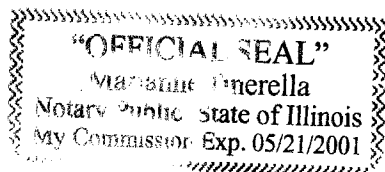
By 
Name: **EMMETT R. HARMON**
Title: **VICE PRESIDENT**

Executed on this ____ day of March, 1998.

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

On this, the 12 day of March, 1998, before me, a Notary Public in and for said County and State, personally appeared J. BARTOLINI, who being by me duly sworn, says that (s)he is the VICE PRESIDENT of HARRIS TRUST AND SAVINGS BANK, not in its individual capacity but solely as Owner Trustee under the Trust Agreement dated as of December 15, 1997, that said instrument was signed on March __, 1998 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation, as Owner Trustee.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



J. Tinerella
Name: M. TINERELLA

Notary Public

My Commission Expires: 5-21-01

Residing in Cook County IL

STATE OF Delaware)
) SS.:
COUNTY OF New Castle)

On this, the 4th day of March, 1998, before me, a Notary Public in and for said County and State, personally appeared Emmett R. Harmon, who being by me duly sworn, says that (s)he is the Vice President of WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Security Trustee under the Security Agreement Trust Deed dated as of December 15, 1997, that said instrument was signed on March 4, 1998 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Patricia Pierce

Name:

Notary Public

My Commission Expires:

Residing in PATRICIA PIERCE

NOTARY PUBLIC - DELAWARE

My commission expires Aug. 22, 2000

EXHIBIT A

EQUIPMENT	QUANTITY	ROAD NUMBERS
110 ton 52'6" (286,000 lb.) GRL mill gondola railroad cars manufactured in 1998 by Trinity Industries.	225	CH TT 286300 through CH TT 286524, inclusive
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